

# EXHIBIT M

Outlook E-mail

**From:** Renzi, Mark  
**Sent:** 5/8/2012 7:27:30 AM  
**To:** Timothy.Devine@ally.com; Lee, Gary S.; rcieri@kirkland.com  
**Cc:** John.Ruckdaschel@ally.com; Jeff.Cancelliere@gmacrescap.com; rschrock@kirkland.com; Levitt, Jamie A.; William.b.Solomon@ally.com  
**Subject:** Re: Are you available

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Is she referring to bond or collateral losses? If we use bond we can get close to the rates she described below - without addressing portfolio composition variances. Jeff?

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**From:** Devine, Timothy [mailto:Timothy.Devine@ally.com]  
**Sent:** Tuesday, May 08, 2012 07:14 AM  
**To:** Lee, Gary S. <GLee@mofo.com>; 'rcieri@kirkland.com' <rcieri@kirkland.com>  
**Cc:** Ruckdaschel, John <John.Ruckdaschel@ally.com>; Cancelliere, Jeff - PA <Jeff.Cancelliere@gmacrescap.com>; 'rschrock@kirkland.com' <rschrock@kirkland.com>; JLevitt@mofo.com <JLevitt@mofo.com>; Renzi, Mark; Solomon, William Legal <William.b.Solomon@ally.com>  
**Subject:** FW: Are you available

Here's KP's version -- the BoA settlement was not at 14% but at 36% -- and then haircut to the risk that BoA would not be responsible for Countrywide if the matter was litigated rather than settled.

Timothy A. Devine  
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Ally Financial Inc. Legal Staff  
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(313) 656-3477

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**From:** Kathy D. Patrick [mailto:kpatrik@gibbsbruns.com]  
**Sent:** Tuesday, May 08, 2012 1:19 AM  
**To:** Devine, Timothy  
**Subject:** Re: Are you available

No, that's wrong: the BofA defect rate was over 30%. BofA ARGUED with us that the defect rate was 14%, which is why that is scenario 1 in the spreadsheet that BNY's expert used--but the ACTUAL defect rate we used, and settled on, was 36%. That would be scenario 3 or 4 in our spreadsheet, which is in the BNY expert report, too. I'm at a loss to understand why ResCap and Ally won't just look at the spreadsheet we used in BofA--because the scenarios in it track exactly what I've said. BofA argued for a vastly lower defect rate, which we rejected; they paid based on our much higher defect rate, which we accepted.

Importantly, the 36% defect rate we used for BofA was before litigation discounts, a primary one of which was the risk--which has obtained here--that Countrywide would go into bankruptcy. But for that risk, and the insolvency of Countrywide, the size of the CLAIM that we calculated against BofA was \$32 billion. That's why I keep telling you that what we got from them was 25.7 cents on the dollar: the CLAIM size was \$32 billion against them, and we settled for \$8.5 billion, which is a recovery of 25.7 cents on the dollar based on a defect rate of 36%. Here, we've got a CLAIM size of more than \$10 billion on which, as a practical matter, the recovery will be far less due to ResCap's bankruptcy.

Below is the relevant set of comparisons:

BofA Original Face: \$432 billion

ResCap OF: \$220 billion

BofA Current Face at Settlement: \$163 billion

ResCap CF: \$63 billion



BofA Claim Size: \$32.5 billion	ResCap Claim Size: \$10 billion
BofA Defect vs. Losses: 36%	ResCap Defect vs. Losses 22.2%
BofA Settlement: \$8.5 billion	ResCap Settlement: whatever is distributed
BofA Settlement vs. Claim Size: 25.7 cents	ResCap Settlement: distrib. amt / \$10 billion

That's why the numbers you're giving me don't make any sense, either with regard to our BofA Settlement--because the numbers you have are just wrong--or by virtue what we know about ResCap. We've analyzed and assessed what we think is ResCap's actual exposure: if we were using the same, 36% defect rate we used with Bank of America, the claim size for ResCap would be well in excess of \$18 billion. Instead, we've offered to resolve by agreeing to a claim size of \$10 billion.

Thus, the claim size is not just ratably lower based on issuance size, it is actually lower as a result of our analysis of the the ResCap defect rate vs. Countrywide's. ResCap will have problems not just with us but with every investor if you try to suggest that the defect rate is a lot lower than where we've analyzed it: you can't reconcile that with the data, the accrued losses or the allegations in existing and future lawsuits.

Bottom line: you are getting a lower defect rate, but it's a realistic rate based on accurate data and using the same methodology we used before.

Kathy Patrick  
Gibbs & Bruns LLP  
713.751.5253

On May 8, 2012, at 12:12 AM, "Devine, Timothy" <[Timothy.Devine@ally.com](mailto:Timothy.Devine@ally.com)> wrote:

I'm getting lots of pressure on valuation now. BoA 8.5 billion represents 14 defect rate, correct? Everything we know about our product - from origination through pooling through reps and diligence through servicing - makes our folks believe we are better (lower) than Countrywide by a large margin. I am being asked to explain how we could agree to a defect rate 150 of Countrywide's.

----- Original Message -----

From: Kathy D. Patrick <[kpatrick@gibbsbruns.com](mailto:kpatrick@gibbsbruns.com)>  
To: Devine, Timothy; Kathy D. Patrick <[kpatrick@gibbsbruns.com](mailto:kpatrick@gibbsbruns.com)>  
Sent: Mon May 07 21:15:14 2012  
Subject: Re: Are you available

Sure. 713 972 4695

Kathy D. Patrick  
Gibbs & Bruns, L.L.P.

----- Original Message -----

From: Devine, Timothy [<mailto:Timothy.Devine@ally.com>]  
Sent: Monday, May 07, 2012 08:10 PM  
To: Kathy D. Patrick  
Subject: Re: Are you available

May I call you in 15 minutes? Sorry.

----- Original Message -----

From: Kathy D. Patrick <[kpatrick@gibbsbruns.com](mailto:kpatrick@gibbsbruns.com)>  
To: Devine, Timothy  
Sent: Mon May 07 19:57:18 2012  
Subject: Are you available

At 830 Eastern tonight?  
Where can I reach you?

Kathy D. Patrick  
Gibbs & Bruns, L.L.P.

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